MEMORANDUM

TO: Richard F. Weeks

FROM: John M. Daniel, Jr. P.E., DEE

Director, Air Division

SUBJECT: Annual Air Permitting Report for FY 2004

DATE: February 14, 2005

COPIES: Tamera Thompson, Air Permit Managers

Please find attached a copy of the Annual Report for Fiscal Year 2004 prepared by the Office of Air Permit Programs. This is the second annual report.

This report is intended not only to inform Executive Management and Department staff of DEQ air permitting activities but also to inform the public.

The report summarizes DEQ's air permitting program and its activities for FY 2004, including staffing levels and number and types of permit actions. The report analyzes activities across different categories of air permits administered by DEQ, including Title V, minor New Source Review, major New Source Review (nonattainment and Prevention of Significant Deterioration), State Operating Permits, Title IV Acid Rain Operating Permits, and General Permits (under minor NSR regulations).

The report discusses issues that have affected air permitting this past year as well as issues and challenges for FY 2005 and beyond. Among these issues are proposed changes to NSR regulations, Title V progress, implications of recent nonattainment area classifications, the NOx SIP call rule and emissions trading implementation, the Dominion Virginia Power consent decree, hazardous air pollutant related issues, and progress in digitizing paper permitting files.

Please let me know if you have any questions about this report or contact Rodney Sobin, who served as primary author. I would also like to acknowledge the contribution of Monica Harvey, who collected data and created tables and graphs, and the cooperation of OAPP and other central and regional office staff that provided information and insight that strengthened this report.